

EP DETERMINATIONS QUALITY ASSURANCE BULLETIN

FY-2002 No. 3

Date: 5/31/2002

CORRECTING PRE-APPROVED MASTER, PROTOTYPE AND VOLUME SUBMITTER PLAN LANGUAGE

Question

How do we handle master, prototype, and volume submitter plans (collectively referred to as pre-approved plans) where an agent working a Form 5307 submission finds what he/she believes to be an error in the pre-approved plan language?

Answer

If an agent finds what appears to be an error in the language of a pre-approved plan, the agent should **not** request amendments to such language. Instead, he/she should accept the language as previously approved. In addition, the agent should complete a referral, (copy attached) and forward it, along with a copy of the plan language in question, as follows. If the pre-approved plan is a volume submitter plan, the information should be sent to:

Volume Submitter Coordinator
P.O. Box 2508, Room 5106
Cincinnati, Ohio 45201

If the pre-approved plan is a master or prototype plan, the information should be sent to:

IRS
T: EP: RA: ICU, Room 253
Attn: Nancy Arrington
1111 Constitution Avenue NW
Washington, D.C. 20224.

Volume Submitter or Master and Prototype personnel will review this information and determine what further action, if any, is necessary. Please keep in mind that with the reliance afforded adopting employers of pre-approved plans by Revenue Procedures 2000-20 and 2002-6 and Announcement 2001-77, any correction obtained to pre-approved language can only be required on a prospective basis.

The referral form should be signed by both the originating agent and the manager. Please ensure that both signatures are secured before forwarding the form. Item 6 should be completed to explain what the problem is and why the agent believes the language is incorrect. Appropriate citations should be provided.

Please remember that pre-approved plans have been reviewed by senior employee plans specialists from across the country or tax law specialists in Washington, D.C. It is **not** intended that employee plans specialists reviewing Form 5307 submissions duplicate this review. This mechanism of reporting technical deficiencies exists for those rare occasions where such deficiencies are found indirectly.

Finally, while this bulletin is primarily directed toward Forms 5307, this same procedure applies to certain Form 5300 submissions. For example, if an employer has adopted a GUST-approved volume submitter plan and modified it in such a way (e.g., modifying a volume submitter profit sharing plan to be an ESOP) that a Form 5300 is required, the agent should only review the modifications; however, a copy of the GUST advisory (approval) letter must be part of the submission for this limited review to apply. The same rule applies where the Form 5300 involves an employer adoption of a plan which is based primarily on a GUST-approved M&P plan (e.g., modifying a prototype to include cross-testing language).

Circle type of referral in item 1 and forward to the appropriate office listed.

	<i>Volume Submitter Plans</i>	<i>Prototype Plans</i>
1. To:		
	VSC	IRS
	P.O. Box 2508, Room 5106	T:EP:RA:ICU, Room 253
	Cincinnati, OH 45201	1111 Constitution Ave., NW
		Washington, DC 20224
2. From	Name of originator (Print or Type)	Address of originator
3. Name and Address of Plan Sponsor		4. Plan Name and Number
5. Date and Serial Number of Letter		
6. Explanation of issue (Include copies of the plan section(s))		
7. Signature of originator	Title	Date
8. Signature of manager		Date
For Coordinator Use		
9. Received by	Action Taken	Date Closed